



STATE BOARD OF EQUALIZATION

450 N STREET, SACRAMENTO, CALIFORNIA, 95814

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State Controller, Sacramento

RAMON J. HIRSIG
Executive Director

**STATE BOARD OF EQUALIZATION MEETING
5901 Green Valley Circle, Room 207, Culver City
MARCH 7-8, 2006
NOTICE AND AGENDA**

MARCH 7, 2006 – BOARD MEETING CONVENES AT 9:30 A.M.*

Agenda items occur sequentially. When circumstances warrant, the Board's Chair, Mr. Chiang, may modify the order of the items on the agenda.

ORAL HEARINGS

A. HOMEOWNER AND RENTER PROPERTY TAX ASSISTANCE HEARINGS

There Are No Items For This Matter

B. CORPORATE FRANCHISE AND PERSONAL INCOME TAX HEARINGS

(Contribution Disclosure forms required pursuant to Govt. Code § 15626)

B1. William Logue, 303404

For Appellant: William Logue, Taxpayer

For Franchise Tax Board: Jozel Brunett, Tax Counsel

B2. Eugene Poats, 305198

For Appellant: Eugene Poats, Taxpayer

For Franchise Tax Board: Diane Ewing, Tax Counsel

B3. Dave H. Miller, 295405

For Appellant: Dave Miller, Taxpayer

For Franchise Tax Board: Kathleen Cooke, Tax Counsel

B4. Steve Wachko, 301335

For Claimant: Steve Wachko, Taxpayer

Winnifred Wachko, Taxpayer

For Franchise Tax Board: Diane Ewing, Tax Counsel

B5. Kenneth A. Sauer and Eliza B. Sauer, 308089

For Appellant: Kenneth Sauer, Taxpayer

For Franchise Tax Board: Mark McEvilly, Tax Counsel

- B6. Nancy Schultz, 288572
For Claimant: Steven G. Hoover, Attorney
For Franchise Tax Board: Dennis Haase, Tax Counsel
- B7. Paul L. Casanova and Barbara Joan Casanova, 289775
For Appellant: Alan K. Rubin, CPA
For Franchise Tax Board: Raul Escatel, Tax Counsel
- B8. Issam I. Kort, 301572
For Claimant: Issam Kort, Taxpayer
For Franchise Tax Board: Diane Ewing, Tax Counsel
- B9. Alex H. Farzami and Jennifer Farzami, 308193
For Appellant: Alex H. Farzami, Taxpayer
Joyce Rebhun, Representative
For Franchise Tax Board: Raul Escatel, Tax Counsel
- ~~B10. Moon S. Chang and Bong S. Chang, 309178
For Appellant: Chonghee Jane Kim, CPA
For Franchise Tax Board: Jason R. Riley, Tax Counsel~~
- ~~B11. Robert K. Kent, 287713
For Claimant: Robert Kent, Taxpayer
Lee Akin, Enrolled Agent
For Franchise Tax Board: Dennis Haase, Tax Counsel~~
- B12. Stephen D. Moses, 268510
For Appellant: Stephen D. Moses, Taxpayer
Stuart A. Simon, Attorney
For Franchise Tax Board: Renel Sapiandante, Tax Counsel

BOARD MEETING RECONVENES AT 1:00 P.M.***ORAL HEARINGS****B. CORPORATE FRANCHISE AND PERSONAL INCOME TAX HEARINGS**

(Contribution Disclosure forms required pursuant to Govt. Code § 15626)

- B13. Mamta Dhurandhar, 296754
For Appellant: John A. Harbin, Attorney
P.J. Jogia, CPA, Witness
For Franchise Tax Board: Dennis Haase, Tax Counsel

- ~~B14. Terry L. Moreland and Peggy J. Moreland, 294805~~
~~For Appellant: Howard Fisher, Attorney~~
~~Larry Baker, CPA~~
~~Terry Moreland, Taxpayer~~
~~For Franchise Tax Board: Mark McEvilly, Tax Counsel~~
- ~~B15. Terry L. Moreland and Peggy J. Moreland, 286425~~
~~For Appellant: Howard Fisher, Attorney~~
~~Larry Baker, CPA~~
~~Terry Moreland, Taxpayer~~
~~For Franchise Tax Board: Renel Sapiandante, Tax Counsel~~
- ~~B16. Apple Computer, Inc., 152016~~
~~For Appellant: Christopher Whitney, CPA~~
~~Barry Weissman, Representative~~
~~For Franchise Tax Board: John Su, Tax Counsel~~
- B17. Danny L. Williams, 257711
For Appellant: Danny L. Williams, Taxpayer
For Franchise Tax Board: Diane Ewing, Tax Counsel
- B18. Michael E. Hodsdon, 305183
For Appellant: Michael Hodson, Taxpayer
For Franchise Tax Board: Jozel Brunett, Tax Counsel
- B19. Christopher Gyorgy, 282946
For Appellant: Peymon Mottahedeh, Representative
Adishian Brooks, Representative
For Franchise Tax Board: Mark McEvilly, Tax Counsel
- B20. Byron Reynolds, 267947
For Appellant: Byron Reynolds, Taxpayer
For Franchise Tax Board: Jozel Brunett, Tax Counsel
- ~~B21. Alex Bates, 268546~~
~~For Appellant: Paul Ballmer, Representative~~
~~For Franchise Tax Board: Dennis Haase, Tax Counsel~~
- B22. Steven R. Nicholas, 306724
For Appellant: Peymon Mottahedeh, Representative
Adishian Brooks, Representative
For Franchise Tax Board: Dennis Haase, Tax Counsel
- B23. David C. Claunch, 281451
For Appellant: Peymon Mottahedeh, Representative
Adishian Brooks, Representative
For Franchise Tax Board: Mark McEvilly, Tax Counsel

- B24. Shawanda Mann, 307168
 For Appellant: Shawanda Mann, Taxpayer
 For Franchise Tax Board: Kathleen Cooke, Tax Counsel

C. SALES AND USE TAX APPEALS HEARINGS

The Sales and Use Tax Appeals hearings are scheduled for Wednesday, March 8, 2006.

D. SPECIAL TAXES APPEALS HEARINGS

(Contribution Disclosure forms required pursuant to Govt. Code § 15626)

- D1. Inland 99 Cents Wholesale, Inc., 236805 (AS)
 For Petitioner: Samuel B. Choi, CPA
 Pung Gil Lee, Taxpayer
 For Department: Monica Brisbane, Tax Counsel
- D2. Kretek International, Inc., 253847 (AR)
 For Petitioner: Eugene Paolino, Attorney
 For Department: Monica Brisbane, Tax Counsel

Petition for Release of Seized Property

- D3. A & M Jelvah, Inc., 317780 (AC)
 For Petitioner: Mehrdad Lavi, Taxpayer
 For Department: Tim Treichelt, Tax Counsel

E. PROPERTY TAX APPEALS HEARINGS

There Are No Items For This Matter

F. PUBLIC HEARINGS

Public Hearings are scheduled for Wednesday, March 8, 2006 at 1:00 p.m.

G. TAX PROGRAM NONAPPEARANCE MATTERS – CONSENT

(Contribution Disclosure forms not required pursuant to Govt. Code § 15626)

G1 Legal Appeals MattersMr. Levine

- Petition for Rehearing
 1. Western Web Printing, Inc., 184337 (GH)
- Hearing Notice Sent – No Response
 2. Embroidertex West Ltd., 237064 (AS)
 3. Michael A. Olin and Janis G. Olin, 252307 (UT)
 4. William Earl Downing, 246515 (AA)
 5. Jay L. Johnson Maintenance, Inc., 238356 (EH)
 6. Richard Marshall Fine Floor, 217899 (AS)

- Hearing Notice Sent – Appearance Waived
 - 7. Paul J. Henneberry, 236469 (AA)
 - 8. Trademark Construction Company, Inc., 259552 (FHA)
- Petitions for Release of Seized Property
 - 9. David & Rite Way, Inc., 333194 (AA)
 - 10. Ty Tang and Huong N. Tritang, 332149 (AA)
 - 11. Kochai Farhad, 331604 (EA)
 - 12. A-1 Liquor & Market Corporation, Inc., 333006 (AC)
 - 13. Linda Han, 332099 (EA)
 - 14. Osama Nemri, 333898 (EH)
 - 15. Cimitrio Ambriz Cervantes and Jose Henry Gaeta, 333189 (AR)

G2 Franchise and Income Tax Matters..... Mr. Schreiter

- Decisions
 - 1. Mertistine Bass, 310912
 - 2. Odysseus Berouklis, Jr., 301349
 - 3. Steve A. Dent, 306354
 - 4. Edward R. Fisher, 299010
 - 5. Loran Jay Forbes, 299082
 - 6. Edith E. Geske, 304296
 - 7. Ronald Higgins, 301576
 - 8. International Health Institute, LLC, 305199
 - 9. Hernan Jacobo, 304294
 - 10. Val Jester and Karin Jester, 268505
 - 11. Luther J. McKinney, 290197
 - 12. Jesus A. Molina, 304197
 - 13. Nilesh M. Patel and Parul Patel, 296757
 - 14. Louis Sardonis, 304920
 - 15. William E. Schenck and Karren D. Schenck, 307185
 - 16. Max A. Skanes, 310933
 - 17. Jose A. Vivar, 308141
 - 18. K. Lynette Walker, 308140
 - 19. King C. Yuen 294756

G3 Homeowner and Renter Property Tax Assistance Matters..... Mr. Schreiter

- Decisions
 - 1. Frank A. Duarte (Deceased), 310466
 - 2. Yvonne E. Guerra, 310026
 - 3. Rakhil Losev, 316250
 - 4. Margaret E. McLeod (Deceased), 311071
 - 5. Robert Edward Mickey, Jr., 315037
 - 6. Lee Mullen, 296205
 - 7. Denise L. Roath, 306946
 - 8. David Singer, 307419
 - 9. Kris Stapleton, 318260
 - 10. Sherry Turner, 315356

G4 Sales and Use Taxes MattersMr. Young

- Redeterminations
 1. Romeo H. Mamian, 89000241640 (AS)
 2. Distribution Planning, Inc., 168912 (OHA)
 3. Fereydoon Kashani, 257691 (AC)
 4. Lifestyle Outdoor Products Corporation, 298666 (OHC)
 5. Flambeau Products Corporation, 235166 (OHB)
 6. The Pep Boys Manny Moe & Jack Cal, 255267 (OHB)
 7. Jalhoa, Inc., 326407 (BH)
- Denials of Claims for Refund
 8. Chevron U.S.A., Inc., 89000227840 (BH)
 9. State of California, 333237 (FH)
 10. Procter & Gamble Paper Products Company, 335295 (OHA)
 11. Foot Locker Retail, Inc., 336171 (OHB)
 12. NEC Solutions (America), Inc., 333503 (KH)
 13. Harrell Motors, Inc., 281763 (KH)
 14. Penske Truck Leasing Company, L.P., 298299 (UT)
 15. Wyle Systems, LLC, 115648 (EAA)
 16. Mc-Donnell Douglas Corporation, 89002086140 (OHA)
 17. Sweetwater Union High School District, 313779 (FH)
 18. Electroglas, Inc., 238713 (GH)
 19. Minas Corporation, 289292 (EH)
 20. Echo Star Satellite Corporation, 316344 (OH)

G5 Sales and Use Taxes Matters – Credits, Cancellations, and Refunds.....Mr. Young

- Credits and Cancellations
 1. G & G Air Conditioning, Inc., 299760 (AA)
 2. Infogenesis, 312680 (GH)
 3. Token Automotive, Inc., 334972 (AS)
- Refunds
 4. Viking Office Products, Inc., 333540 (OHC)
 5. Downey Community Hospital, Foundation, 330406 (AA)
 6. Celite Corporation, 329546 (GH)
 7. California Portland Cement Company, 332899 (AP)
 8. Chevron U.S.A., Inc., 334244 (BH)
 9. Comcast of Los Angeles, Inc., 335278 (OH)
 10. Economy Restaurant Fixtures, Inc., 317681 (BH)
 11. Harris Corporation, 242230 (BH)
 12. Comcast of California I, Inc., 335282 (OH)
 13. Lucky Stores, Inc., 284744 (OH)
 14. Gonsalves & Santucci, Inc., 313781 (CH)
 15. Comcast of Fresno, Inc., 335285 (OH)
 16. State of California, 225226 (FH)
 17. Arrk Creative Network Corporation, 282620 (FH)
 18. Alza Corporation, 288532 (BH)
 19. Philips Semiconductors, Inc., 333979 (GH)

20. Procter & Gamble Paper Products Company, 261793 (OHA)
21. Comcast of California XIII, Inc., 335289 (OH)
22. Affiliated Computer Service, Inc., 311983 (OH)
23. Albertson's, Inc., 289973 (OH)
24. Foot Locker Retail, Inc., 311527 (OHB)
25. Powell Electrical Mfg. Company, 329581 (OHC)
26. Food Group, Inc., 264510 (OHC)
27. Siemens Microelectronics, Inc., 152098 (OHB)
28. Continental General Tire, Inc., 306040 (OHB)
29. Arrow International, Inc., 308812 (OH)
30. NEC Solutions (America), Inc., 333502 (KH)
31. Comcast of California IX, Inc., 335291 (OH)
32. Humboldt Wedag, Inc., 290238 (OHC)
33. Ford Motor Company, 335218 (OHA)
34. Daimler Chrysler Corporation, 335217 (CHA)
35. Pleasanton Sierra Associates LP., 318427 (OHA)
36. Comcast of CA/CO/TX/WA, 335292 (OH)
37. Nordstrom.Com, LLC, 336195 (OH)
38. Ingenico, Inc., 259710 (OHC)
39. Gero Vita International, Inc., 330584 (OH)
40. Reliant Pharmaceuticals, LLC, 335078 (OHB)
41. Lucky Stores, Inc., 284745 (OH)
42. Maritz, Inc., 2888531 (OHA)
43. Tokyo Boeki North America, Inc., 307859 (OHA)
44. Mannatech, Inc., 330250 (OHC)
45. Hush Puppies Retail, Inc., 329548 (OHA)
46. Suburban Propane L.P., 306074 (OHB)
47. Applied Graphics Technologies, Inc., 234394 (AA)
48. Joe Picco & Associates, Inc., 333868 (EA)
49. Household Automotive Finance, Corporation, 240753 (FH)
50. NSB Retail Solutions, Inc., 249257 (OH)
51. Comcast of California II, LLC, 335293 (OHB)
52. Comcast of CA/CO, LLC, 335294 (OHB)
53. Chargers Football Company, LLC, 333205 (FH)

G6 Special Taxes Matters

There Are No Items For This Matter

G7 Special Taxes Matters – Credits, Cancellations, and Refunds Mr. Gau**➤ Refund**

1. Restaurant Depot Enterprises, LLC, 334433 (ET)

There Are No Items For The Following Matters

- G8 Property Tax Matters
- G9 Cigarette License Fee Matters
- G10 Legal Appeals Property Tax Matters

H. TAX PROGRAM NONAPPEARANCE MATTERS – ADJUDICATORY

There Are No Items For These Matters

I. TAX PROGRAM NONAPPEARANCE MATTERS

There Are No Items For These Matters

CHIEF COUNSEL MATTERS

There Are No Items For The Following Matters

J. Rulemaking**K. Business Taxes****L. Property Taxes****M. Other Matters****ADMINISTRATIVE SESSION****N. Consent Agenda..... Ms. Pellegrini**
N1 Approval of 2005-06 Superior Accomplishment Award Nominees

There Are No Items For The Following Matters

O. Board Committee Reports**P. Other Matters****ANNOUNCEMENT OF CLOSED SESSION..... Ms. Pellegrini****Q. Closed Session**

Q1 Discussion and action on personnel matters (Govt. Code § 11126(a))

ANNOUNCEMENT OF OPEN SESSION Ms. Pellegrini

The meeting will reconvene on Wednesday, March 8, 2006, at 9:30 a.m.

If you wish to receive this Notice and Agenda electronically, you can subscribe at www.boe.ca.gov/agenda.

If you would like specific information regarding items on this Notice and Agenda, please telephone (916) 322-2270 or e-mail: MeetingInfo@boe.ca.gov. Please be advised that material containing confidential taxpayer information cannot be publicly disclosed.

The hearing location is wheelchair accessible. If you require assistance, please contact Cathy Stroh at (916) 324-2599, or e-mail Cathy.Stroh@boe.ca.gov to make special arrangements.

* Public comment on any agenda item, other than a Closed Session item or an item which has already been considered by a Board Committee, will be accepted at that meeting.



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5901 Green Valley Circle, Room 207, Culver City
MARCH 7-8, 2006
NOTICE AND AGENDA**

MARCH 8, 2006 – BOARD MEETING RECONVENES AT 9:30 A.M.*

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ORAL HEARINGS

A. HOMEOWNER AND RENTER PROPERTY TAX ASSISTANCE HEARINGS

The Homeowner and Renter Property Tax Assistance hearings are scheduled for Tuesday, March 7, 2006.

B. CORPORATE FRANCHISE AND PERSONAL INCOME TAX HEARINGS

The Corporate Franchise and Personal Income Tax hearings are scheduled for Tuesday, March 7, 2006.

C. SALES AND USE TAX APPEALS HEARINGS

(Contribution Disclosure forms required pursuant to Govt. Code § 15626)

C1. Man Than Ngo, 288757 (EHC)

For Petitioner: Nate Green, Representative

For Department: Kevin Hanks, Hearing Representative

C2. Walter Alexander Aguilar, 181561 (AP)

For Petitioner: Walter Aguilar, Taxpayer

Roberta Vasquez, Witness

Linda Perez, Bookkeeper

For Department: Kevin Hanks, Hearing Representative

~~**C3. Kenneth H. Lawson, 132581 (UT)**~~

~~For Petitioner: Kenneth Lawson, Taxpayer~~

~~For Department: Carla Caruso, Tax Counsel~~

C4. Ultraneon Sign Corporation, 187084 (FH)

For Petitioner: Vatche Chorbajian, Attorney

For Department: Kevin Hanks, Hearing Representative

- C5. Brenton Motor Works, Inc., 252420 (FH)
For Petitioner: Mitchell B. Dubick, Attorney
For Department: Kevin Hanks, Hearing Representative
- C6. William Lyon Homes, Inc., 240354 (EAA)
For Petitioner: W. Douglas Harris, Taxpayer
Jim Fier, Representative
Lyle A. Downey, Representative
For Department: Cary Huxsoll, Tax Counsel
- ~~C7. Perfect PC Technologies, Inc., 258181 (EA)~~
~~For Petitioner: Michael Huang, Taxpayer~~
~~Grant Chien, CPA~~
~~Herbert Yu, Witness~~
~~For Department: Kevin Hanks, Hearing Representative~~

BOARD MEETING RECONVENES AT 1:00 P.M.***ORAL HEARINGS****C. SALES AND USE TAX APPEALS HEARINGS**

(Contribution Disclosure forms required pursuant to Govt. Code § 15626)

- C8. A K H Company, Inc., 219583 (EA)
For Petitioner: Vatche Chorbajian, Attorney
Jack Agopian, CPA
Hratch Andonian, Representative
For Department: Cary Huxsoll, Tax Counsel
- ~~C9. Canyon Motors, Ltd., 219451 (AS)~~
~~For Petitioner: John W. Harris, Attorney~~
~~Ron Canyon, Taxpayer~~
~~G. Michael Smith, CPA~~
~~For Department: Carla Caruso, Tax Counsel~~
- C10. Conexant Systems, Inc., 152709, 286414 (EA)
For Petitioner: Al Floria, CPA
James Levinson, CPA
Dave Walker, Representative
For Department: Cary Huxsoll, Tax Counsel
- ~~C11. American Reprographics Company, LLC, 254516 (AC)~~
~~For Petitioner: Glenn Bystrom, CPA~~
~~Mark Legg, Taxpayer~~
~~For Department: Randy Ferris, Tax Counsel~~

C12a. John G. Harb, 221375 (AS)

C12b. John Harb Sewing Machine Company, Inc., 217117 (AS)

For Petitioner: Sam White, Representative

For Department: Tim Treichelt, Tax Counsel

C13a. Starwood Hotels/Resorts Worldwide, Inc., 250677 (FH)

C13b. Starwood Hotels/Resorts Worldwide, Inc., 250678 (EHC)

C13c. SLC Operating Limited Partnership, 250675 (EHC)

C13d. SLC San Diego, LLC, 250468 (FH)

For Claimant: Appearance Waived

For Department: Randy Ferris, Tax Counsel

D. SPECIAL TAXES APPEALS HEARINGS

The Special Taxes Appeals hearings are scheduled for Tuesday, March 7, 2006.

E. PROPERTY TAX APPEALS HEARINGS

There Are No Items For This Matter

F. PUBLIC HEARINGS

F1 BUSINESS TAXPAYERS' BILL OF RIGHTS HEARINGSMr. Gilman

Individuals have the opportunity to present their ideas, concerns, and recommendations regarding legislation, the quality of agency services, and other issues related to the Board's administration of its tax programs. At the Business Taxes hearings you can comment on the administration of sales and use taxes, environmental fees, fuel taxes, and excise taxes.

F2 PROPERTY TAXPAYERS' BILL OF RIGHTS HEARINGSMr. Gilman

Individuals have the opportunity to present their ideas, concerns, and recommendations regarding legislation, the quality of agency services, and other issues related to the Board's administration of its tax programs. At the Property Taxes hearings you can comment on the property taxes programs and laws administered by the Board, and identify ways to resolve any problems identified in the Property Taxpayers' Advocate's Annual Report.

ADJOURN

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Deborah Pellegrini, Chief
Board Proceedings Division

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